

## Authors

Geordie Wilkes  
Head of Research

TUE 28 JULY 2020 17:45

# Daily Base Metals Report

Stocks declined as disappointing corporate earnings results came to light, and growth in coronavirus cases continued to threaten global recovery. The Fed has extended most of its emergency lending programme until the end of 2020. US consumer confidence retreated to 92.6 in July, from 98.3 in June, on the back of fears of the recent increase of coronavirus cases. At the same time, the US homeownership rate jumped to the highest rate since 2008, indicating a rebound in the housing market.

LME metals have been mixed, with nickel and tin lower on the day. Aluminium prices continued to firm breaking above \$1,720/t to close at \$1,724/t, the cash to 3-month spread has tightened once again to -\$39.00/t. Copper was bid above \$6,400/t and closed just off the day's high at \$6,477/t. Zinc traded lower to the \$2,215/t support level before picking up the pace and closed on the front foot \$2,246.50/t. Lead was mostly range-bound and tested the resistance level at \$1,870/t before closing at \$1,868/t. Nickel and tin were weaker today, closing at \$13,660/t and \$17,993/t respectively.

Oil futures weakened today on the back of disappointing market data, with WTI and Brent trading at \$41.17/bl and \$43.38/bl respectively. Gold prices were firmer, while silver gave back some of its recent gains. At the time of writing, gold and silver stand at \$1,953.58/oz and \$24.55/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1710	1727	1706	1724	1710	11051	795521	-38.75	78.29
Copper	6466	6521	6390	6477	6435	15412	315979	12.00	293.55
Lead	1858	1870	1847	1868	1856	4471	107937	-17.10	84.39
Nickel	13800	13995	13510	13660	13800	8779	197044	-50.00	621.43
Tin	18030	18250	17900	17993	18050	499	16194	50.00	816.93
Zinc	2237	2271	2212	2246.5	2235	9467	201585	-5.86	102.15
<b>Total:</b>						<b>49679</b>	<b>1634260</b>		

Official Prices					PD		Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	Cash	PD 3M	Cash	3M
Aluminium	1671	1709	1806.75	1866.5	1670	1708	1632.55	1665.5
Copper	6399.5	6393	6462	6467	6426.5	6420.5	6339.075	6334.1
Lead	1835	1850.5	1890.5	1923.5	1837.59	1850.5	1807.4	1823.125
Nickel	13470	13525	13758	13967	13669.5	13719	13280.85	13327.85
Tin	18000	17960			18066.75	18035	17371.15	17289.45
Zinc	2206	2215	2259.5	2286.5	2228.5	2237	2143.575	2154.4

LME Stocks (tonnes)								Other Copper Markets	
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1668500	0	10325	-10325	1658175	274150	1384025	Comex, USc/lb	
Copper	138025	1225	5225	-4000	134025	89175	44850	JUL 20	290.75 0.68
Lead	117700	0	100	-100	117600	15425	102175	AUG 20	291.05 0.73
Nickel	234948	0	96	-96	234852	56382	178470	Shanghai, CNY/mt	
Tin	3875	10	60	-50	3825	180	3645	00-Jan	0 0.00
Zinc	158825	15125	950	14175	173000	18250	154750	00-Jan	0 0.00

Global Markets		Currencies		Precious Metals		Previous Day's Fix	
Last	% Change	Last	% Change	Last	% Change	AM	PM
DAX	12835 -0.03	GBP	1.2943 0.4735	Gold	1948.15 0.3043	1940.55	1936.65
DJI	26470 -0.43	JPY	105.0900 0.2664	Silver	24.30 -1.1579		2437.5
S&P500	3233 -0.19	EUR	1.1732 -0.1702	Gold Comex	1966.1 0.547		
SSE	3228 0.71	CNY	7.0008 -0.0628	Platinum	949.19 0.281		
Hg Seng	24773 0.69	AUD	0.7158 0.1259	Palladium	2283.81 -1.1479		
Brent	43 -0.35	RUB	72.4170 -1.1167				

Source: Bloomberg  
Updated: 28/07/2020 17:35

---

### **Risk warning**

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers ([www.sucdenfinancial.com/en/risk-warning-and-disclaimers](http://www.sucdenfinancial.com/en/risk-warning-and-disclaimers)).